

PUBLIC DISCLOSURE

October 18, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The Community National Bank
Charter Number 17595**

**1400 East Second Street
Franklin, Ohio 45005**

**Office of the Comptroller of the Currency
Central Ohio Field Office
325 Cramer Creek Court, Suite 202
Dublin, Ohio 43017**

Note: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this institution.

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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **The Community National Bank of Franklin, Ohio** prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **October 18, 1999**. This document evaluates the bank's performance since the prior CRA examination, which was dated June 10, 1996. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

The Community Reinvestment Act defines the economic status of families and geographies as low-, moderate-, middle-, or upper-income. A low-income borrower means a borrower whose annual income is less than 50% of the Metropolitan Statistical Area's (MSA) median family income. A low-income geography refers to a census tract where the median income of all residents is less than 50% of the MSA median family income. The same test applies for the other income categories, except that moderate-income means 50% to 80%, middle-income means 80% to 120%, and upper-income means in excess of 120%.

OVERALL CONCLUSIONS

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory Record of Meeting Community Credit Needs**. This rating is supported by:

- Excellent distribution among all income levels, including a high level of home mortgage loans to low- and moderate-income borrowers. The analysis of business loans indicates a willingness to lend to small businesses.
- The loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.
- A majority of CNB's home mortgage and business loans are to borrowers inside the bank's assessment areas.

DESCRIPTION OF INSTITUTION

The Community National Bank (CNB) is an independently-owned bank with its main office in Franklin, Ohio. The bank has three branch locations in neighboring towns. The main office and the Carlisle branch are located in middle-income census tracts and the Springboro and Centerville branches are located in upper-income census tracts. The only branch to open after the previous CRA examination is the Centerville branch, which opened in July 1998. The main office and the Centerville branch both have drive-up facilities and an automatic teller machine (ATM). The Carlisle branch is located in a grocery store.

CNB's primary lending focus is residential real estate and small businesses. Given the urban and suburban characteristics of the assessment areas, the bank is not a significant agricultural lender. As of September 30, 1999, the bank had total assets of \$101 million. Net loans comprise 69% of total assets. Table 1 reflects a breakdown of the loan portfolio.

| | Volume (\$000) | % of Gross Loans |
|--------------------------|----------------|------------------|
| Residential Real Estate | 29,609 | 43% |
| Commercial Real Estate | 26,777 | 39% |
| Real Estate Construction | 5,603 | 8% |
| Consumer Loans | 3,744 | 5% |
| Commercial Loans | 3,246 | 5% |
| Other Loans | 127 | < 1% |
| TOTAL | 69,106 | 100% |

Source: September 30, 1999 Call Report

No financial or legal impediments exist that would affect the bank's ability to meet the credit needs of its community. CNB's previous CRA rating as of June 10, 1996 was "Satisfactory."

DESCRIPTION OF ASSESSMENT AREAS

The bank has three assessment areas that are contiguous. In total, there are 40 census tracts in the three assessment areas. Four of the census tracts are moderate-income, 18 are middle-income, and 18 are upper-income. There are no low-income census tracts. These assessment areas are considered to be bedroom communities for the Cincinnati and Dayton areas. The assessment areas meet the requirements of the regulation and do not arbitrarily exclude low- or moderate-income geographies.

- The Warren County assessment area (Warren Co. AA) is the source of the majority of the bank's business. It includes the twelve northwestern-most census tracts of the county and is a part of MSA 1640 (Cincinnati, OH-KY-IN). The main office as well as the Springboro and Carlisle branches are in this assessment area. The 1999 Department

of Housing and Urban Development (HUD) estimated Median Family Income for MSA 1640 is \$54,800. The Warren Co. AA has a population of 46,619 and 13,510 families. There are 1,234 businesses in the Warren Co. AA. Ninety-one percent, or 1,121, of those are small businesses, defined as having annual revenues of less than \$1 million.

- The Montgomery County assessment area (Montgomery Co. AA) has twenty-six census tracts. These census tracts are in the southern-most portion of the county and are a part of MSA 2000 (Dayton-Springfield, OH). The Centerville branch is in this assessment area. The 1999 HUD estimated Median Family Income for MSA 2000 is \$52,400. The Montgomery Co. AA has a population of 113,356 and 32,522 families. There are 3,181 businesses in the Montgomery Co. AA. Eighty-eight percent, or 2,793, of those are small businesses.
- The Butler County assessment area (Butler Co. AA) has two census tracts in the northeastern-most tip of the county. Butler County is a part of MSA 3200 (Hamilton-Middletown, OH). The 1999 HUD estimated Median Family Income for MSA 3200 is \$55,100. The Butler Co. AA has a population of 6,164 and 1,840 families. There are 109 businesses in the Butler Co. AA. Ninety-nine of these, or 91%, are small businesses.

Table 2 represents the breakdown for each assessment area by census tract. It describes the income characteristic, population, number of families, number of housing units, the percentage that is owner-occupied, and the number of small businesses in each census tract. This information is utilized to determine the number of opportunities the bank has to meet the credit needs of the community.

Table 2
Census Tract Information

| MSA | County | Census Tract | Income Range | Population | Number of Families | Housing Units | % Owner Occupied | Number of Small Businesses |
|---------------------------------------|------------|--------------|--------------|----------------|--------------------|---------------|------------------|----------------------------|
| 1640 | Warren | 301.01 | Middle | 3,170 | 885 | 984 | 94% | 24 |
| 1640 | Warren | 301.02 * | Middle | 4,562 | 1,338 | 1,575 | 70% | 65 |
| 1640 | Warren | 302.00 | Moderate | 1,692 | 475 | 662 | 59% | 20 |
| 1640 | Warren | 303.00 | Middle | 6,177 | 1,800 | 2,428 | 60% | 163 |
| 1640 | Warren | 304.00 | Moderate | 1,543 | 429 | 569 | 45% | 34 |
| 1640 | Warren | 305.01 * | Middle | 2,833 | 738 | 1,019 | 61% | 119 |
| 1640 | Warren | 305.02 * | Upper | 7,442 | 2,249 | 2,595 | 85% | 232 |
| 1640 | Warren | 306.00 | Middle | 2,412 | 759 | 905 | 85% | 73 |
| 1640 | Warren | 307.00 | Middle | 5,146 | 1,472 | 1,943 | 68% | 109 |
| 1640 | Warren | 308.00 | Middle | 3,399 | 985 | 1,174 | 85% | 40 |
| 1640 | Warren | 309.00 | Upper | 2,478 | 720 | 833 | 89% | 22 |
| 1640 | Warren | 310.00 | Middle | 5,765 | 1,660 | 2,069 | 75% | 220 |
| Subtotal for Warren Co. AA | | | | 46,619 | 13,510 | 16,756 | Avg 73% | 1,121 |
| 2000 | Montgomery | 206.02 | Upper | 1,919 | 633 | 708 | 94% | 59 |
| 2000 | Montgomery | 216.01 | Upper | 2,316 | 684 | 1,041 | 64% | 63 |
| 2000 | Montgomery | 217.00 | Upper | 2,427 | 712 | 1,221 | 45% | 49 |
| 2000 | Montgomery | 218.00 | Moderate | 2,359 | 609 | 1,128 | 17% | 70 |
| 2000 | Montgomery | 219.00 | Upper | 2,448 | 745 | 1,027 | 85% | 25 |
| 2000 | Montgomery | 401.01 | Upper | 1,989 | 653 | 826 | 96% | 125 |
| 2000 | Montgomery | 401.02 * | Upper | 2,272 | 706 | 839 | 95% | 42 |
| 2000 | Montgomery | 401.03 | Upper | 2,654 | 775 | 949 | 86% | 64 |
| 2000 | Montgomery | 402.01 | Upper | 3,046 | 946 | 1,148 | 84% | 38 |
| 2000 | Montgomery | 402.02 | Upper | 6,012 | 1,718 | 3,094 | 60% | 146 |
| 2000 | Montgomery | 403.01 | Upper | 10,982 | 3,002 | 3,750 | 80% | 195 |
| 2000 | Montgomery | 403.02 | Upper | 5,409 | 1,597 | 2,181 | 68% | 225 |
| 2000 | Montgomery | 404.01 | Upper | 5,249 | 1,429 | 2,187 | 67% | 468 |
| 2000 | Montgomery | 404.02 | Upper | 8,996 | 2,509 | 4,181 | 57% | 194 |
| 2000 | Montgomery | 501.01 | Upper | 4,157 | 1,163 | 1,916 | 60% | 37 |
| 2000 | Montgomery | 501.02 | Upper | 7,005 | 2,086 | 3,012 | 66% | 175 |
| 2000 | Montgomery | 501.03 | Upper | 3,411 | 879 | 1,746 | 39% | 121 |
| 2000 | Montgomery | 503.02 | Middle | 6,081 | 1,842 | 2,191 | 84% | 47 |
| 2000 | Montgomery | 503.03 | Middle | 4,135 | 1,036 | 2,217 | 24% | 62 |
| 2000 | Montgomery | 504.01 | Middle | 5,496 | 1,670 | 2,079 | 74% | 59 |
| 2000 | Montgomery | 504.02 | Moderate | 2,550 | 720 | 1,026 | 55% | 65 |
| 2000 | Montgomery | 505.01 | Middle | 7,754 | 2,076 | 3,320 | 53% | 123 |
| 2000 | Montgomery | 505.02 | Middle | 2,623 | 731 | 1,166 | 60% | 102 |
| 2000 | Montgomery | 506.00 | Middle | 4,342 | 1,321 | 1,588 | 86% | 51 |
| 2000 | Montgomery | 1601.00 | Middle | 1,812 | 563 | 669 | 86% | 41 |
| 2000 | Montgomery | 1650.00 | Middle | 5,912 | 1,717 | 2,217 | 73% | 147 |
| Subtotal for Montgomery Co. AA | | | | 113,356 | 32,522 | 47,427 | Avg 68% | 2,793 |
| 3200 | Butler | 120.00 | Middle | 2,341 | 771 | 832 | 88% | 35 |
| 3200 | Butler | 121.00 | Middle | 3,823 | 1,069 | 1,429 | 79% | 64 |
| Subtotal for Butler Co. AA | | | | 6,164 | 1,840 | 2,261 | Avg 83% | 99 |

Source: 1990 U.S. Census Data

* = Location of bank offices

The competition between financial institutions is intense in the areas served by CNB. Primary competitors are LCNB of Lebanon and the First National Bank of Germantown. Large regional banks such as Fifth Third, Firststar, Huntington, and Bank One provide additional competition.

The local economy is stable and diverse. The August 1999 unemployment rates in Warren (2.9%), Montgomery (3.8%), and Butler Counties (3.2%) are all below the statewide unemployment rate of 4.0% and the national unemployment rate of 4.2%. The largest employers in the assessment areas are Gayston Corporation, Dayton Extruded Plastics, R.L. Drake, and the Franklin school system.

Table 3 illustrates how many families live in each assessment area, sorted by family income level. This demonstrates CNB’s opportunity to lend to low- and moderate-income families. Of the low-income families living in the Warren Co. AA, 41% are below the poverty level and therefore would likely be ineligible for any home mortgage loan. The percentages of low-income families living below the poverty level in the Montgomery Co. AA and the Butler Co. AA are both 38%.

| Table 3 Dispersion of Families Among Income Levels | | | | | | | | | |
|---|---------------------|------------|--------------------------|------------|------------------------|------------|-----------------------|------------|---------------|
| | Low-Income Families | | Moderate-Income Families | | Middle-Income Families | | Upper-Income Families | | Total |
| Warren Co. AA | 2,185 | 16% | 2,191 | 16% | 3,468 | 26% | 5,666 | 42% | 13,510 |
| Montgomery Co. AA | 2,949 | 9% | 4,324 | 13% | 6,771 | 21% | 18,478 | 57% | 32,522 |
| Butler Co. AA | 346 | 19% | 338 | 18% | 526 | 29% | 630 | 34% | 1,840 |
| TOTAL | 5,480 | 11% | 6,853 | 14% | 10,765 | 23% | 24,774 | 52% | 47,872 |

Source: 1990 U.S. Census Data

We interviewed an executive with a local chamber of commerce to ascertain the credit needs of the community. This contact stated that the primary credit needs were housing and small business loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.

CNB's quarterly average loan-to-deposit ratio since the prior CRA examination was 76%. The ratio has ranged from a low of 73% at March 31, 1998, to a high of 79% at December 31, 1998. To compare the bank's ratio to that of similarly situated institutions, we evaluated the ratio of nine other independent community banks that also serve the assessment areas. The average quarterly ratio of these nine banks since June 10, 1996 is 73%, comparable to the bank's ratio.

As of June 30, 1999, the bank loan-to-deposit ratio was 75%. The average loan-to-deposit ratio for the 39 national banks located in Ohio that have total assets of less than \$100 million is 73%, as of the same date. The bank's ratio is comparable to its statewide peer ratio.

Lending In Assessment Area

A majority of CNB's loans are made to borrowers inside the bank's assessment areas.

To evaluate the level of residential real estate lending within the three assessment areas, we reviewed all home mortgage loans that originated from January 1, 1997 to September 30, 1999. We utilized the bank's Home Mortgage Disclosure Act (HMDA) data to accomplish this. These dates were selected because they were the closest full year and year-to-date data available that coincided with the evaluation period of June 10, 1996 through October 18, 1999. Our residential real estate review includes home purchase, home refinance, and home improvement loans. CNB originated 256 such loans totaling \$22,622,000 during this time period. Table 4 illustrates that 85% of the number and 67% of the dollar volume of CNB's home mortgage loans are made to residents of one of the three assessment areas.

| | Number | | Dollar Volume (\$000) | |
|----------------------------------|------------|------------|-----------------------|------------|
| | # | % | \$ | % |
| Warren Co. AA | 189 | 74% | 12,593 | 56% |
| Montgomery Co. AA | 25 | 9% | 2,456 | 11% |
| Butler Co. AA | 4 | 2% | 174 | < 1% |
| TOTAL IN ASSESSMENT AREAS | 218 | 85% | 15,223 | 67% |

| | | | | |
|----------------------------------|------------|-------------|---------------|-------------|
| Out of Area | 38 | 15% | 7,399 | 33% |
| TOTAL HOME MORTGAGE LOANS | 256 | 100% | 22,622 | 100% |

Source: 1997, 1998, 1999 Home Mortgage Disclosure Act data

To evaluate the level of small business lending within the three assessment areas, we sampled 59 business loans that originated between June 10, 1996 and October 18, 1999. These loans totaled \$13,728,000. Table 5 illustrates that 68% of the number and 79% of the dollar volume of CNB's business loans are to businesses located inside one of the three assessment areas.

| Table 5 Business Loans by Assessment Area Originated June 10, 1996 through October 18, 1999 | | | | |
|---|-----------|-------------|-----------------------|-------------|
| | Number | | Dollar Volume (\$000) | |
| | # | % | \$ | % |
| Warren Co. AA | 30 | 51% | 6,563 | 48% |
| Montgomery Co. AA | 6 | 10% | 2,850 | 21% |
| Butler Co. AA | 4 | 7% | 1,390 | 10% |
| TOTAL IN ASSESSMENT AREAS | 40 | 68% | 10,803 | 79% |
| Out of Area | 19 | 32% | 2,925 | 21% |
| TOTAL BUSINESS LOANS | 59 | 100% | 13,728 | 100% |

Source: OCC Sample of CNB's loan files

To summarize, a majority of the bank's loans are for the benefit of individuals and businesses in the bank's three assessment areas. Eighty-five percent (67% dollar volume) of the home mortgage loans and 68% (79% dollar volume) of the business loans are inside the assessment areas.

Lending to Borrowers of Different Income Levels and Businesses of Different Sizes

The analysis of borrower income levels reflects, given the demographics of the assessment areas, excellent distribution among all income levels, including low- and moderate-income borrowers. The analysis of business loans indicates a willingness to lend to small businesses.

CNB's primary lending products are residential real estate and small business loans. The community contact interviewed in connection with this CRA examination identified primary credit needs of the community as being housing and small business loans. CNB is appropriately meeting the credit needs of its assessment areas.

CNB has an excellent record of originating home mortgage loans to borrowers of all income levels, including low- and moderate-income borrowers. Table 6 reveals that 30% of all loans in the Warren Co. AA are to low-income borrowers, although only 16% of the families in this assessment area are considered low-income. Similarly, 28% of all loans in the Warren Co. AA were made to moderate-income borrowers, although only 16% of the families in this assessment area are considered moderate-income. This level of lending to low- and moderate-income borrowers is exceptional.

The level of lending activity in the Montgomery Co. AA and the Butler Co. AA is considerably lower than it is in the Warren Co. AA. The percentage of loans to low- and moderate-income borrowers in the Montgomery Co. AA approximates the percentage of low- and moderate-income families actually living in this assessment area. Three of the four loans in the Butler Co. AA were to moderate-income borrowers, although only 18% of the population are in this category. None of the four loans in the Butler Co. AA were to low-income borrowers. Based on 1990 Census Data (refer to Table 3), there are fewer low-income borrowers in the Butler Co. AA than the other assessment areas. Thirty-eight percent of these low-income families are below the poverty level and would likely not meet the credit standards for a home mortgage loan. The percentages of families in the assessment area were detailed on Table 3 under the “Description of Assessment Areas” section of this Performance Evaluation.

Table 6
Distribution of Home Mortgage Loans Among Borrower Income Level
Originated January 1, 1997 through September 30, 1999

| | Low-Income Borrowers | | Moderate-Income Borrowers | | Middle-Income Borrowers | | Upper-Income Borrowers | | Total | |
|--|----------------------|--------------|---------------------------|--------------|-------------------------|--------------|------------------------|--------------|-------------|----------------|
| | # | \$ (000) | # | \$ (000) | # | \$ (000) | # | \$ (000) | # | \$ (000) |
| Warren Co. AA | 56 30% | 1,468 12% | 54 28% | 2,346 19% | 30 16% | 2,935 23% | 49 26% | 5,844 46% | 189 100% | 12,593 100% |
| Dispersion of Families Among Income Levels | 16% | | 16% | | 26% | | 42% | | 100% | |
| Montgomery Co. AA | 2 8% | 45 2% | 3 12% | 145 6% | 5 20% | 547 22% | 15 60% | 1,719 70% | 25 100% | 2,456 100% |
| Dispersion of Families Among Income Levels | 9% | | 13% | | 21% | | 57% | | 100% | |
| Butler Co. AA | 0 | 0 | 3 75% | 122 70% | 0 | 0 | 1 25% | 52 30% | 4 100% | 174 100% |
| Dispersion of Families Among Income Levels | 19% | | 18% | | 29% | | 34% | | 100% | |

Source: 1997, 1998, 1999 Home Mortgage Disclosure Act data and 1990 U.S. Census Data

Table 7 shows that the bank has a reasonable record of lending to businesses of all sizes. Of the 59 loans sampled, 81% of the number and 68% of the dollar volume are to small businesses. A small business is defined as one with annual revenues of \$1 million or less. The bank is adequately serving the credit needs of small businesses. Within each assessment area, a substantial majority of the number and a sizeable portion of the dollar volume of business loans are to small businesses. The percentages of businesses in the Warren Co. AA, the Montgomery Co. AA, and the Butler Co. AA that are small are 91%, 88%, and 91%, respectively.

| Table 7 Analysis of Business Loans Originated June 10, 1996 through October 18, 1999 | | | | | | |
|--|----------------------|------------------------|---------------------------|-----------------------|---|------------|
| | Total Business Loans | | Loans to Small Businesses | | Percentage of business loans that are to "small businesses" | |
| | # | \$ | # | \$ | # | \$ |
| Warren Co. AA | 30 51% | 6,563 48% | 22 46% | 3,216 34% | 73% | 49% |
| Montgomery Co. AA | 6 10% | 2,850 21% | 6 13% | 2,850 31% | 100% | 100% |
| Butler Co. AA | 4 7% | 1,390 10% | 3 6% | 390 4% | 75% | 28% |
| Out of Area Loans | 19 32% | 2,925 21% | 17 35% | 2,895 31% | 89% | 99% |
| TOTAL LOANS | 59 100% | 13,728 100% | 48 100% | 9,351 100% | 81% | 68% |

Source: OCC Sample of CNB's loan files

Geographic Distribution of Loans

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the assessment areas.

The geographic distribution of loans indicates that a concentration of the bank's loans exists in the Warren Co. AA. This is the location of three of the bank's four offices and represents CNB's largest presence. The Montgomery Co. AA and the Butler Co. AA had fewer loan originations. Our analysis determined that the bank is not limiting credit availability in low- and moderate-income neighborhoods.

Table 8 lists home loans by census tract in the three assessment areas and Table 9 lists business loans by census tract. Table 8 reveals that 87% of the number and 83% of the dollar volume of home loans made within all three assessment areas were made inside the Warren Co. AA. The volume of loans originated in the Montgomery Co. AA and the Butler Co. AA was lower than that of the Warren Co. AA.

In the Montgomery Co. AA, there are fourteen census tracts without any home loans originating between January 1, 1997 through September 30, 1999. Of these fourteen census tracts, only one is a moderate-income census tract. Only 17% of the housing units in this moderate-income census tract are owner-occupied, so there are fewer opportunities to make a home mortgage loan in this area. Three of the other census tracts are middle-income and ten are upper-income. The absence of loans in the middle- and upper-income tracts is not cause for concern. The unserved tracts are on the outside perimeter of the

assessment areas, furthest geographically from CNB offices, in areas where the presence of the large regional banks is stronger.

Table 9 reveals that CNB's small business loans are more evenly distributed throughout the assessment areas. Seventy-one percent of the number and 50% of the dollar volume of small business loans sampled were inside the Warren Co. AA. The moderate-income census tract in the Montgomery Co. AA that did not have any home loan activity did have one business loan, in the amount of \$360,000.

Table 8
Distribution of Home Mortgages by Census Tract
January 1, 1997 through September 30, 1999

| MSA | County | Census Tract | Income Range | % Owner Occupied | Number of Home Loans | Dollar Volume of Home Loans (\$000) |
|---------------------------------------|------------|--------------|--------------|------------------|----------------------|-------------------------------------|
| 1640 | Warren | 301.01 | Middle | 94% | 72 | 1,347 |
| 1640 | Warren | 301.02 * | Middle | 70% | 10 | 640 |
| 1640 | Warren | 302.00 | Moderate | 59% | 5 | 477 |
| 1640 | Warren | 303.00 | Middle | 60% | 27 | 1,959 |
| 1640 | Warren | 304.00 | Moderate | 45% | 5 | 200 |
| 1640 | Warren | 305.01 * | Middle | 61% | 10 | 894 |
| 1640 | Warren | 305.02 * | Upper | 85% | 20 | 2,498 |
| 1640 | Warren | 306.00 | Middle | 85% | 8 | 692 |
| 1640 | Warren | 307.00 | Middle | 68% | 3 | 129 |
| 1640 | Warren | 308.00 | Middle | 85% | 8 | 1,014 |
| 1640 | Warren | 309.00 | Upper | 89% | 16 | 2,317 |
| 1640 | Warren | 310.00 | Middle | 75% | 5 | 426 |
| Subtotal for Warren Co AA | | | | Avg 73% | 189 (87%) | 12,593 (83%) |
| 2000 | Montgomery | 206.02 | Upper | 94% | | |
| 2000 | Montgomery | 216.01 | Upper | 64% | | |
| 2000 | Montgomery | 217.00 | Upper | 45% | | |
| 2000 | Montgomery | 218.00 | Moderate | 17% | | |
| 2000 | Montgomery | 219.00 | Upper | 85% | | |
| 2000 | Montgomery | 401.01 | Upper | 96% | | |
| 2000 | Montgomery | 401.02 * | Upper | 95% | 1 | 125 |
| 2000 | Montgomery | 401.03 | Upper | 86% | | |
| 2000 | Montgomery | 402.01 | Upper | 84% | | |
| 2000 | Montgomery | 402.02 | Upper | 60% | | |
| 2000 | Montgomery | 403.01 | Upper | 80% | 1 | 325 |
| 2000 | Montgomery | 403.02 | Upper | 68% | | |
| 2000 | Montgomery | 404.01 | Upper | 67% | 1 | 197 |
| 2000 | Montgomery | 404.02 | Upper | 57% | 2 | 239 |
| 2000 | Montgomery | 501.01 | Upper | 60% | 1 | 30 |
| 2000 | Montgomery | 501.02 | Upper | 66% | | |
| 2000 | Montgomery | 501.03 | Upper | 39% | 2 | 208 |
| 2000 | Montgomery | 503.02 | Middle | 84% | 4 | 363 |
| 2000 | Montgomery | 503.03 | Middle | 24% | | |
| 2000 | Montgomery | 504.01 | Middle | 74% | 2 | 154 |
| 2000 | Montgomery | 504.02 | Moderate | 55% | 1 | 151 |
| 2000 | Montgomery | 505.01 | Middle | 53% | 1 | 89 |
| 2000 | Montgomery | 505.02 | Middle | 60% | | |
| 2000 | Montgomery | 506.00 | Middle | 86% | 6 | 353 |
| 2000 | Montgomery | 1601.00 | Middle | 86% | | |
| 2000 | Montgomery | 1650.00 | Middle | 73% | 3 | 222 |
| Subtotal for Montgomery Co. AA | | | | Avg 68% | 25 (11%) | 2,456 (16%) |
| 3200 | Butler | 120.00 | Middle | 88% | 1 | 57 |
| 3200 | Butler | 121.00 | Middle | 79% | 3 | 117 |
| Subtotal for Butler Co. AA | | | | Avg 83% | 4 (2%) | 174 (1%) |

| | | |
|--|-------------------|----------------------|
| TOTAL LOANS IN THE ASSESSMENT AREAS | 218 (100%) | 15,223 (100%) |
|--|-------------------|----------------------|

Source: 1990 U.S. Census Data & 1997, 1998, and 1999 Home Mortgage Disclosure Act data * = Location of bank offices

| Table 9 Distribution of Small Business Loans June 10, 1996 through October 18, 1999 | | | | | | |
|---|------------|--------------|--------------|----------------------------|--------------------------------|---|
| MSA | County | Census Tract | Income Range | Number of Small Businesses | Number of Small Business Loans | Dollar Volume of Small Business Loans (\$000) |
| 1640 | Warren | 301.01 | Middle | 24 | 1 | 7 |
| 1640 | Warren | 301.02 * | Middle | 65 | 1 | 60 |
| 1640 | Warren | 302.00 | Moderate | 20 | 1 | 30 |
| 1640 | Warren | 303.00 | Middle | 163 | 5 | 190 |
| 1640 | Warren | 304.00 | Moderate | 34 | | |
| 1640 | Warren | 305.01 * | Middle | 119 | 2 | 702 |
| 1640 | Warren | 305.02 * | Upper | 232 | 8 | 2,172 |
| 1640 | Warren | 306.00 | Middle | 73 | 1 | 12 |
| 1640 | Warren | 307.00 | Middle | 109 | 1 | 3 |
| 1640 | Warren | 308.00 | Middle | 40 | | |
| 1640 | Warren | 309.00 | Upper | 22 | 2 | 40 |
| 1640 | Warren | 310.00 | Middle | 220 | | |
| Subtotal for Warren Co AA | | | | 1,121 | 22 (71%) | 3,216 (50%) |
| 2000 | Montgomery | 206.02 | Upper | 59 | | |
| 2000 | Montgomery | 216.01 | Upper | 63 | | |
| 2000 | Montgomery | 217.00 | Upper | 49 | | |
| 2000 | Montgomery | 218.00 | Moderate | 70 | 1 | 360 |
| 2000 | Montgomery | 219.00 | Upper | 25 | | |
| 2000 | Montgomery | 401.01 | Upper | 125 | | |
| 2000 | Montgomery | 401.02 * | Upper | 42 | | |
| 2000 | Montgomery | 401.03 | Upper | 64 | | |
| 2000 | Montgomery | 402.01 | Upper | 38 | | |
| 2000 | Montgomery | 402.02 | Upper | 146 | | |
| 2000 | Montgomery | 403.01 | Upper | 195 | | |
| 2000 | Montgomery | 403.02 | Upper | 225 | | |
| 2000 | Montgomery | 404.01 | Upper | 468 | 1 | 680 |
| 2000 | Montgomery | 404.02 | Upper | 194 | | |
| 2000 | Montgomery | 501.01 | Upper | 37 | | |
| 2000 | Montgomery | 501.02 | Upper | 175 | | |
| 2000 | Montgomery | 501.03 | Upper | 121 | | |
| 2000 | Montgomery | 503.02 | Middle | 47 | | |
| 2000 | Montgomery | 503.03 | Middle | 62 | | |
| 2000 | Montgomery | 504.01 | Middle | 59 | | |
| 2000 | Montgomery | 504.02 | Moderate | 65 | | |
| 2000 | Montgomery | 505.01 | Middle | 123 | | |
| 2000 | Montgomery | 505.02 | Middle | 102 | 3 | 1,185 |
| 2000 | Montgomery | 506.00 | Middle | 51 | | |
| 2000 | Montgomery | 1601.00 | Middle | 41 | | |
| 2000 | Montgomery | 1650.00 | Middle | 147 | 1 | 625 |
| Subtotal for Montgomery Co. AA | | | | 2,793 | 6 (19%) | 2,850 (44%) |
| 3200 | Butler | 120.00 | Middle | 35 | | |
| 3200 | Butler | 121.00 | Middle | 64 | 3 | 390 |

| | | | |
|--|-----------|------------------|---------------------|
| Subtotal for Butler Co. AA | 99 | 3 (10%) | 390 (6%) |
| TOTAL LOANS IN THE ASSESSMENT AREAS | | 31 (100%) | 6,456 (100%) |

Source: 1990 U.S. Census Data & OCC sample of CNB loan files

* = Location of bank offices

Responses to Complaints

The bank has not received any complaints from the public regarding its performance in meeting the credit needs of the assessment areas.

Other Considerations

The OCC conducted a fair lending review in August 1999. This review compared a sample of unsecured personal loans that were extended to males against a sample of unsecured personal loans that were extended to females. Our objective was to test whether the interest rates and loan fees were comparable for both groups. We found that the interest rates and loan fees were comparable and no violations of the substantive provisions of the anti-discrimination laws and regulations exist.